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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence

11 June 195

INTELLIGENCE MEMORANDUM

Arab-Israeli Situation Report (As of 7:00 AM EDT)

1. The UN Security Council meeting which adjourned early this morning heard Soviet delegate Fedorenko call for condemnation of Israel for violations of the cease-fire. Secretary General U Thant passed on two more reports from U.N. observers reporting that unidentified delta wing aircraft had been observed dropping bombs near Damascus. Generally, however, the cease-fire seems to be holding.

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3. King Husayn has urged the US to issue a statement affirming that Israel must pull back behind her pre-June 5 boundaries, pointing out that the Arab countries "are in a ferment because they think your guarantees of territorial integrity apply only to Israel." He is afraid that the Soviet initiative in breaking relations with Israel will repair their position, while American silence on Israeli withdrawal "will cost you heavily." He has also requested public assurances that whatever settlement is to be reached

State Dept. review completed

through negotiations will not involve surrender of Jordan's West Bank--a statement which he assumes the U.S. will make eventually, since it is consistent with our traditional position, but which would be more effective if made as soon as possible.

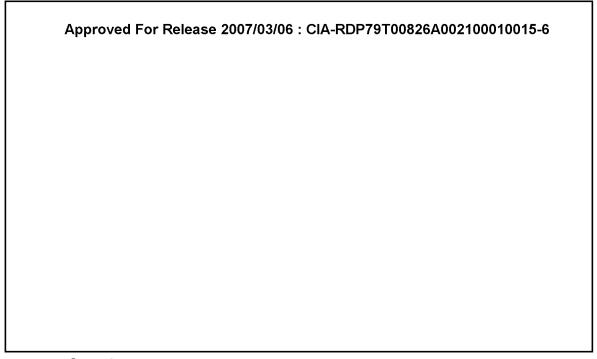
4. Saudi Deputy Foreign Minister Saqqaf has also made a strong plea that the U.S. adopt a position showing an awareness of Arab rights. Specifically, he urged that Israel not be allowed to benefit territorily from her "aggression," and argued that American influence in the Arab world is at stake. Given Nasir's defeat and widespread disillusionment with their supposed Soviet friends, the U.S. should capitalize on the situation to restore its influence.

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6. Algerian Prime Minister Boumediene in a radio and television speech has called on the Communist countries to take a firm stand and accept their responsibilities to the Arab world and he insisted that "we will not lay down arms before exploitation and injustice is liquidated."

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8. An Arab Oil Producers' meeting is scheduled to be held in Kuwait today, which the heads of producing companies are to attend in addition to Arab oil ministers from Saudi Arabia, Kuwait, and Iraq. The Amir of Kuwait has assured the American ambassador that Kuwait does not want to lose any more income than necessary by its oil restrictions. The ambassador is convinced that the Kuwaiti government wants an increasingly intimate association with the U.S., and that the Amir will move rapidly to restore the status quo ante in public relations and oil. The Amir has assured us that he does not believe charges of U.S. participation in the hostilities.

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- 17. The U.S. presented a stiff note to the Israeli ambassador yesterday, stating that in view of the clear weather and unmistakable markings on the USS Liberty, the American government found the Israeli attack on the ship incomprehensible. It said that the US expects full compensation as well as disciplinary measures against those responsible.
- 18. Bulgaria has also decided to break off diplomatic relations with Israel.

CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 11 June 1967

INTELLIGENCE MEMORANDUM

Arab-Israeli Situation Report (As of 12:00 NOON EDT)

- 1. The cease-fire appears to be holding. There is no evidence of any violations since it finally became effective at 2:30 PM EDT yesterday.
- 2. The Israelis, however, have reported that early this morning two explosive charges went off in an isolated and uninhabited Israeli house near the Lebanese border. Thus far there has been no military action along that frontier, but if terrorist incidents—the initial cause of the crisis—recur there even after the cease—fire has gone into effect elsewhere, the Israelis may eventually feel compelled to take punitive action. The critical issue, as always, will be whether Israeli fatalities occur as a result of the sabotage. The perpetrators undoubtedly are extremist Palestinians who managed to evade Lebanese controls along the border designed to prevent such activity.
- 3. Israel's foreign ministry has informed the US Embassy that every effort is being made to hold to a minimum looting by Israeli forces in Jordanian Jerusalem, and to protect US Government as well as other property there and in other parts of the West Bank. The Israeli commander of the West Bank was appointed partly because of his reputation as a stern disciplinarian. The penalties for looting, according to a foreign ministry source, include life imprisonment and even execution.

4. An estimated 100,000 refugees have arrived in eastern Jordan from the West Bank area, and the flow apparently is continuing.

UNWRA facilities on the East Bank have a three months supply of food for their normal recipients, and will probably take over the care of new refugees who are UNWRA-registered, while the Jordanian government attempts to handle the remainder.

- 5. Nasir today appointed General Muhammad Fawzi as Commander of the Egyptian Armed Forces according to Cairo radio. Fawzi apparently replaces Abdul Hakim Amer, who submitted his resignation Friday. Fawzi is a career military officer and, as a classmate of Nasir, graduated from the Royal Military Academy in 1938. He formerly held the post of Chief of Staff of the Egyptian Armed Forces, to which he was appointed in March 1964. The resignation of seven generals from Egypt's top military echelon, as well as the pensioning off of a number of other generals, was also announced today in the wake of the military debacle in the Sinai.
- 6. The Cairo press reports that Nasir has received a message signed by Brezhnev, Kosygin, and Podgorny appealing to him not to step down and informing him of the discussions among Communist leaders on 9 June.
- 7. Nasir's "resignation" speech had a powerful emotional effect in Aden. The Arab quarter of the town was turbulent on Saturday and a general strike of indefinite duration is being held as an expression of support for Nasir. The Consulate-General comments that in defeat, Nasir may succeed in closing Arab ranks more effectively than before the debacle.

- 12. The Indian press reports from Cairo today that Peking has offered the UAR 150,000 tons of wheat, \$10 million in hard currency, and "nuclear assistance." The kind of nuclear assistance has not been specified, but if anything comes of the offer, it presumably will be technical advice.
- 13. Oil production in Kuwait came to a virtual halt today as most oil workers from the major producing companies went on strike. The government has issued an order banning demonstrations, however, and foreign ministry officials gave assurances that they understood the strike will be for one day only.

14. Damascus radio today exhorted Arab oil workers to permanently cut off the supply of petroleum to the US and Great Britain. The announcements urged workers to refrain from loading or unloading ships from those two countries, and to stop the petroleum flow "even if this means austerity for you."

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Arab-Israeli Situation Report
(As of 2:00 PM EDT)

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- 2. In Libya law and order generally have been maintained, except in Benghazi, where youth gangs still roam the city. Libyan authorities are keeping an eye on possible trouble by Algerian troops in the country who might link-up with Libyan dissidents.
- 3. Damascus is quiet today, and, according to the Egyptian press service, the curfew is over. An American newsman reports that the last air raid near Damascus was at 12:40 PM EDT yesterday, and at no time was Damascus itself bombed.
- 4. This morning Aden was calm, with workers returning to their jobs. The British military are maintaining order, and the situation appears to have returned to every day levels of violence.

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6. The "Old City" of Jerusalem is being restored to a semblance of order. Unarmed Jordanian police, accompanied by armed Israeli policemen, are patrolling the city. Street lighting has been restored, food distribution organized and milk for infants distributed in the Arab section yesterday and today.

- 9. During the recess in last night's UN Security Council meeting the ten non-permanent members of the Council held an informal caucus at which India proposed a resolution to condemn Israel for "flagrant" cease-fire violations and to request a full investigation and report by the Secretary General. According to Council President Tabor, six or seven of the non-permanent members said they would be "hesitant" to support such a resolution at that time. Only Mali and Nigeria spoke in favor of the Indian proposal. The position of the non-permanent members presumably still remains the same.
- 10. Despite French opposition to the OECD Oil Committee meeting on 12 June to coordinate action to insure oil supplies to the West in the face of Arab boycott, France has informed OECD Secretariat that they will reluctantly attend.

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Arab-Israeli Situation Report
(As of 4:30 PM EDT)

3. The US Consul in Constantine reports rising tension and war fever there and the movement of military equipment. The French are increasingly nervous and some are evacuating their families. Nearly all the Algerians believe the American sixth fleet helped Israel and our

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consulate has been a target of their frustrations. On 9 June the news of the cease-fire and Nasir's resignation brought out frenzied anti-American mobs. People cheered Boumediene for his hard nosed win or die policy and his speech yesterday has finally brought him popularity.

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- 5. The first Israeli ship, the Dolphin, sailed through Tiran Strait today bound for Eilat.
- 6. In a CBS TV interview taped Friday, Israeli Defense Minister Dayan said that he believed Israel should retain access to Eilat, gain the right of passage through the Suez Canal, and occupy Jerusalem, the Gaza Strip and the West Bank of Jordan. He added that there was "no problem whatsoever" in holding Sinai indefinately.

- 8. Abu Dhabi, one of the seven Trucial States in the Persian Gulf, today joined the Arab boycott of oil shipments to the US and UK.
- 9. Yesterday Indian Prime Minister Ghandi bitterly attacked US aid policies and pledged support for Nasir, whom she described as "a force for progress." She claimed that "abundant aid would be forthcoming if we (India) agree to set up a capitalist system," in an allusion to US "pressures" on India.

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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence	
INTELLIGENCE MEMORANDUM	
Arab-Israeli Situation Report (As of 9:00 PM EDT)	
1. Syria has requested an emergency meeting of the UN Security Council. The session is scheduled to convene at 10:30 PM EDT. Syria is charging that Israeli forces are advancing on Damascus in violation of the cease-fire.	25X1
There is no other available evidence to support the Syrian claim, although various western press agencies are claiming that sporadic sniper fire continues along the cease-fire line in Syria.	

3. Algiers Radio has announced that Premier Boumediene will leave for Moscow tomorrow.

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- 6. An Israeli military spokesman announced today over the Jerusalem radio that Israeli casualty figures in the current war total 679 dead and 2,563 wounded, of whom 255 are moderately or seriously wounded. These figures appear to be deliberately minimized as earlier reports indicated that almost this number were KIA during the fighting in Jerusalem alone.
- 7. Israeli Labor Minister Yigal Allon stated in a speech in Jerusalem on 11 June that Israel should not repeat past mistakes and agree to intermediate arrangements such as the previous armistice agreements. Allon said, "We hold the cards which will enable us to reject any settlement with our neighbors that is less than peace." Allon added that the fact that almost the entire Palestinian population is under Israeli control "gives us a very good opportunity to solve the refugee problem."
- 8. The tight curfew, which was invoked in Beirut yesterday following serious rioting and anti-Western demonstrations, is expected to ease tomorrow morning unless the situation deteriorates, according to a government announcement. A Lebanese army spokesman has termed the curfew the most effective ever seen in the country. The Beirut airport, which was closed to international traffic at the start of hostilities is expected to resume operations and banks are scheduled to reopen tomorrow. Strict press censorship will continue, however, and the ban will remain on all demonstrations and sporting events.

10. The embassy in Amman reports that for the present King Husayn seems to be enjoying new popularity. Many Jordanians are said to believe that he was let down by Nasir who was in turn deceived by the Russians. The embassy has been warned, however, that if the US does not pressure Israel into returning the West Bank, the King's position will become untenable.